A Guide to Martech Effectiveness

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01 Foreword

Digital transformation has been a key focus for many businesses, adapting their technology and ways of working to meet changing customer needs.

With many businesses still needing to accelerate digital transformation, marketing technology is more important than ever before. Martech now represents almost a quarter of marketing budgets, and is now well established as a core marketing discipline.

This is both an opportunity and a challenge. Businesses that can harness martech can create customer experiences that provide a competitive advantage. The challenge is in delivering martech effectiveness.

Like all marketing, martech requires detailed planning, a solid strategy and a robust execution plan to ensure that technology is acquired and used as effectively as possible.

LXA has developed a proprietary framework to enable organisations to follow a systematic, methodical and advanced approach to marketing technology. Following this framework helps to ensure that martech strategy is aligned with key business goals, that companies have the skills and ways of working to execute on strategy, and that marketing technology is used effectively. This framework is the 5Ps of Martech and Marketing Operations. It forms part of LXA's mini MBA certification for marketing, sales and tech professionals.

We're delighted to be working with the IPA to develop this Martech Effectiveness Report and hope to share more insight with you as the sector continues to grow.

Carlos Doughty
CEO and Course Instructor, LXA

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The martech industry has been high growth for some time. But for many agencies and brands it has been seen as someone else's job, or a useful addition to improve efficiency, rather than a central strategic asset. This is now changing, and the IPA is delighted to be working with LXA on this exclusive report for the IPA EffWorks programme.

The broad aim of our programme is to promote a marketing effectiveness culture in brand owner and agency organisations and improve day-to-day working practices. We believe martech tools and systems have an increasing role to play.

This report is designed to help frame the industry's approach and give more direction and guidance to the planning, selection and integration of the systems on offer and, critically, the resources and skills needed to enable them to make a real difference. Agencies are now offering an increasing range of services in this space – from planning and strategy, to pure execution, to just helping brands keep up. We hope that this report will provide helpful context for these endeavours.

Janet Hull OBE
Director of Marketing
Strategy, IPA

02 Introduction

Marketing technology has become more important - even essential - to marketers over the past decade. However, many marketers still see technology as the exclusive domain of IT, with key decisions on tech selection taking place outside of the marketing department, or with limited input from marketers.

With martech becoming ever more central to marketing strategy, it's important that marketers exert more influence over the process of tech selection. The right technology can enhance the effectiveness of marketing initiatives, improve efficiencies, and enable marketers to achieve their targets.

Central to this report is the need for marketers to be involved at each stage of this process. The success of marketing campaigns, achievement of key targets and day to day efficiency depends more and more on having the right technology, and the skills and processes in place to use it fully.

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Simeon Duckworth
Data Strategist,
UCL and WPP

'Collect customer data' is the everyman strategy of our age, but data is useless if it doesn't result in a marketing action or improved customer service. Martech helps make that possible by making it easier, cheaper, faster and safer to build recommendations for marketers and customers alike. It is essential to modern-marketing.

For many of us, martech can seem over-complicated and confusing. We hope this report will make martech less intimidating for marketers. We urge marketers to become more involved in shaping martech decisions in collaboration with technical experts. The report presents a 5Ps framework to structure martech strategy. It also emphasises the critical organisational and team skills required for continuous execution - the key characteristic of leading firms.

03 Methodology

The findings in this report are based on a series of CMO surveys run between July 2021 and September 2022.

Brand respondents were at CMO level or equivalent, or agency Account Directors, VP and SVP Client Services.

All responses are from companies with more than 200 employees. Respondents were based in the UK, US, France and Germany.

Respondents are from a range of industries, with greater response from the finance, entertainment, automotive, media and travel sectors.

This report also contains commentary from respondents interviewed by LXA and a workshop with the IPA team.

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* Some graph percentages may not equal 100 due to rounding.

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Why Does Martech Matter?

Martech is the technology that businesses use for marketing. It's the tools and tech that enable marketers to plan and execute campaigns, to measure some outcomes, and to automate key tasks. Most specifically for communications activity conducted online.

The growth of martech is a consequence of the rapid changes in technology and customer behaviour that we've experienced since the early days of the internet.

This explosion of technology includes the invention and widespread adoption of social media, online shopping, and the smartphone.

The net result is a rapid shift in customer behaviour, with new habits in media consumption, researching, and purchasing through online channels, all presenting a huge challenge for marketers.

Scott Brinker's 'Martec's Law' illustrates these challenges perfectly - technology changes quickly, but organisations do not.

MARTEC'S LAW
Technology changes quickly; organisations change slowly
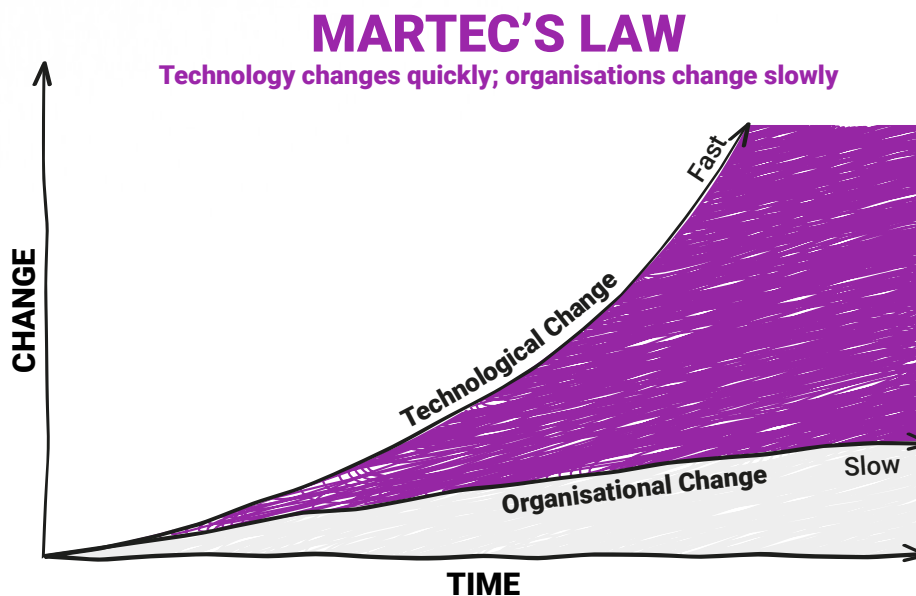
For this reason, we've seen companies going through the process of digital transformation - essentially adopting business models and ways of working to adapt to new channels and technology.

The development of martech and its integration into marketing planning and operations is part of that process.

According to data from LXA's 2021/22 Martech Report, the majority (61%) of marketers are planning to increase their martech budgets in the next 12 months. According to data

from LXA's 2022/23 Martech Report, marketing technology now accounts for 24% of marketing budgets. The majority (63%) of marketers are also planning to increase their martech budgets in the next 12 months.

What percentage of your organisation's / your typical client's overall marketing budget is typically spent on:

19%
Media spend

35%
Staff/Labour

22%
Agency/Services

24%
Marketing technology
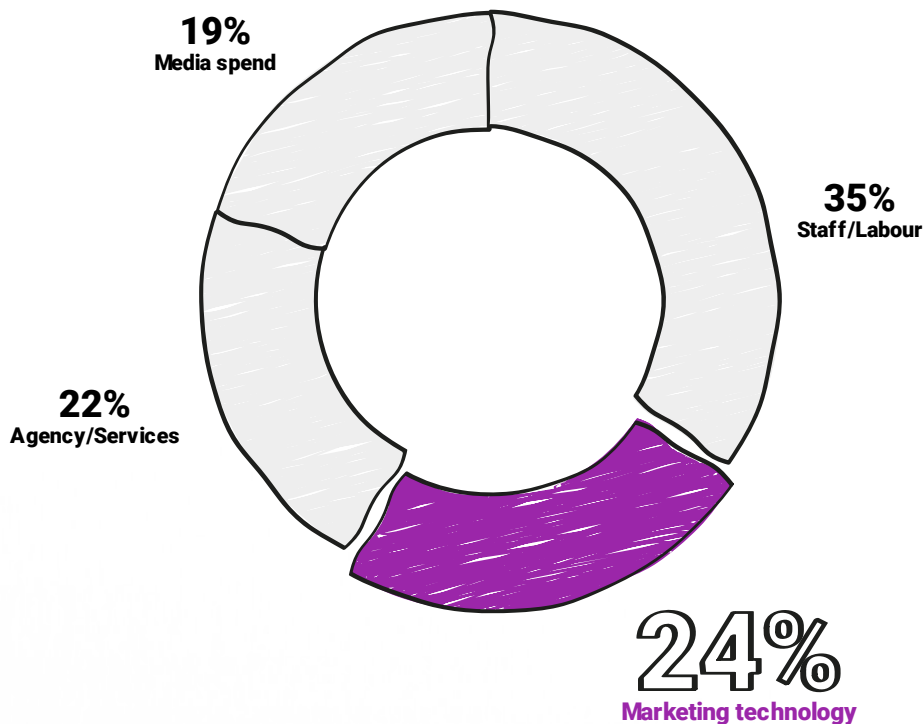
How do you expect your organisation's / your typical client's marketing technology budget to change over the next 12 months?

Decrease
10%

No change
26%

63%
Increase

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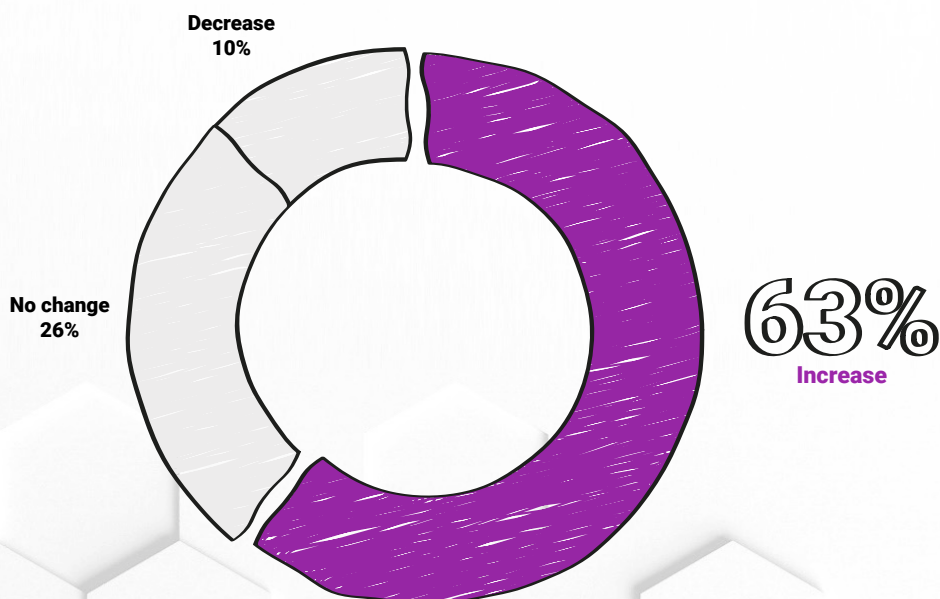
Personalised Customer Experience is a Strategic Priority

A persistent theme in recent years is how Customer Experience (CX) has become a strategic priority for many organisations. For clarity, CX is defined as the sum of all interactions that a customer has with a brand and their emotional response to those interactions. In many cases, CX has become as important as the product being sold, which means that first-class and personalised CX is a key element of marketing strategy in the 2020s. It is not possible to discuss CX without discussing customer journeys and personalisation.

One of the major challenges for marketers is meeting customers at the moments that most influence their decisions. So understanding customer journeys and delivering the right message, at the right time, in the right place, has been a focus of recent years. Data access is key to this.

As a marketing asset, data can serve several functions. First, it informs marketers about customers. Second, it enables marketers to understand and evaluate which tactics are working and which ones are not. Third, it empowers marketers to understand and articulate the value of marketing activities to the board.

A marketers biggest challenge is not the volume of data that is available to them. It is where that data is stored and having the ability to act on that data in real time across multiple channels. If data is the oil that empowers marketers to reach customers, marketing technology is the machinery that drives these activities.

This makes architecting an appropriate marketing technology stack that can facilitate data flow and the creation of unified customer profiles a requirement for a modern marketing operations function.

Global Martech and Salestech market size

We estimate that the global market for martech and salestech solutions was worth $509.8bn in 2022.

For this years State of Martech Report, we've produced a number which takes into account both salestech and martech. This is because the two are intrinsically connected, and salestech and martech tools frequently overlap.

Many tools are used (and should be used) by both marketing and sales teams. For example, Salesforce isn't exclusively a salestech or martech tool, it's both.

$508.9bn

GLOBAL MARTECH & SALESTECH MARKET SIZE
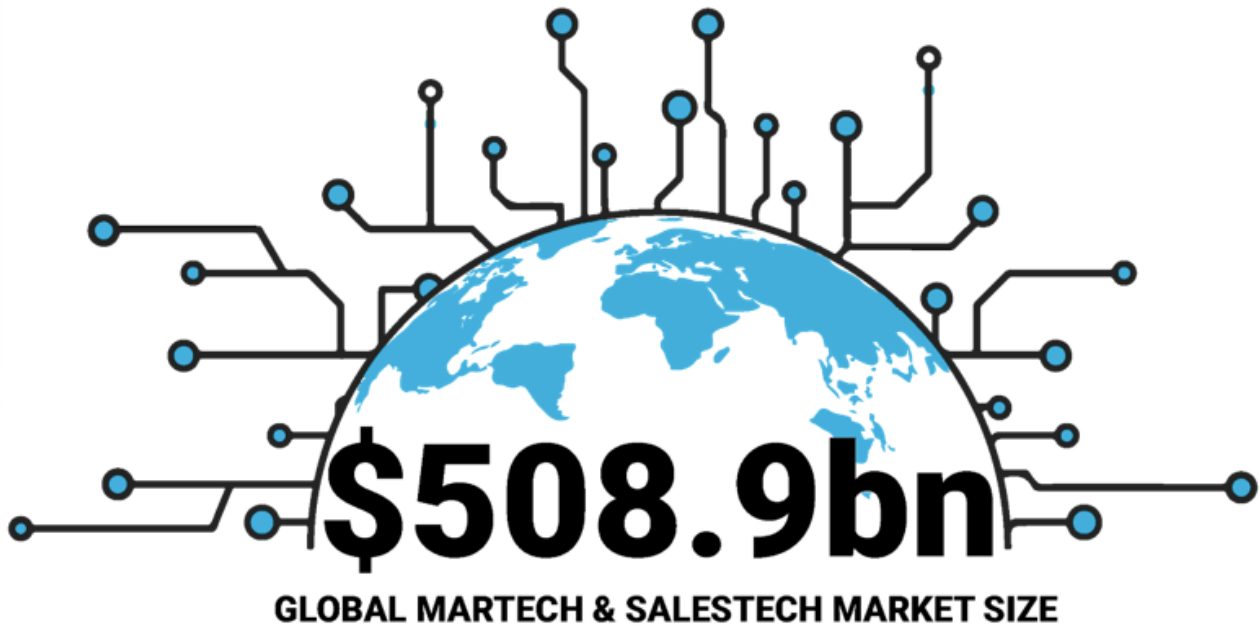
Note: *The approximation of market sizing has been calculated using WARC's ad spend data (Global: US$880.9bn 2022) and LXA's survey response data on marketing budget spend split by percentage (across martech, staff, agency/services and media). The methodology assumes ad spend is a proxy for marketing communication spend, which combines media and agency costs. And that survey responses are typical globally. This reflects how modern marketing is changing and any discrepancies in how media and agency spend is attributed. The sizing has been independently substantiated against a series of methodologies and data points including martech company public revenues, market sizing of key martech categories, M&A martech activity and martech landscape growth.*

04 How Martech Addresses Key Challenges for Marketers

Changing customer behaviour and technological advancements present a number of key challenges for marketers, many of which can potentially be addressed through technology.

Privacy, preference & trust

Data privacy is now an important concern for marketers. This is for a number of reasons:

- Growing consumer awareness of how data is used (and that this data belongs to them).
- Legal initiatives to limit a company's use of data and provide customers with more control over how their information is used. GDPR and CCPA are two examples of legislation related to data privacy.
- The phasing out of third party cookies. Major browsers have removed support for cookies, with Google Chrome due to follow suit by 2024.

Marketers need to ensure that their use of data is compliant with legislation and, more importantly, reassure customers that they can be trusted with personal data, and will use it to enhance the customer experience.

Technology has a huge role to play in the management of data to ensure compliance, and the effective use of first party data to make marketing more relevant.

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Changing ways of working

Remote working was becoming more common even before the Covid-19 pandemic, and remote or hybrid working is now the norm for many.

Technology has needed to adapt to these changes. Tech is needed to facilitate remote working, and to adjust marketing to adapt.

The latter is especially relevant for B2B, which was traditionally centred around physical events and in-person meetings. Now, virtual events, such as webinars, continue to have popularity despite lockdowns ending.

Only a minority of B2B buyers say they want to interact with sales representatives in person post-Covid. Companies need to meet customers on the channels they prefer, whether this be through content, on-site, or remote interactions with sales people. Martech can help here, providing the tools for remote interactions, virtual meetings and webinars.

Digital transformation

Digital transformation is often mentioned in reference to the way businesses need to adapt and respond to rapid technological changes. This is part of the issue, but the main reason for transformation is to adapt to changing customer behaviour.

The common theme behind digital transformation is the need to adapt existing technology, structures, and ways of working to meet changing customer needs.

It's this customer focus that is the key. Businesses need to be responsive to the needs of the customer - it is this which enables them to remain relevant. Technology can provide the tools that allow them to do this - the data that provides insight into customer behaviour, the personalisation tools that enable marketers to deliver relevant content, and so on.

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Data is Going Dark

At the same time as data is becoming more important, major browsers are phasing out support for third party cookies. This means marketers are unable to track customers across digital touchpoint.

In response, organisations need to make the collection and development of first party data a priority so they can create unified customer profiles.

Barriers to Martech Effectiveness

In our survey, we asked respondents about the factors they view as barriers to martech effectiveness. The two biggest barriers cited were around skills and lack of buy-in.

Lack of skills and knowledge

The biggest barrier cited was the lack of skill set and knowledge of martech. It is most often this, rather than the technology itself, which limits marketers. This underlines the importance of training to ensure teams have the right skills in place to enable effective day-to-day use of matech, and effective management of the overall marketing stack. Lack of staff and resources, a similar issue, was cited by 17% of respondents.

Martech doesn't take care of itself, though it's not uncommon for organisations to make the assumption it does. CMOs can be guilty of making the necessary investment in great martech tools without fully appreciating the need to upskill, recruit the marketing talent, or commission the specialist agency services to make best use of them.

For the modern day marketer, martech is one of the key tools of their trade. It's therefore important to develop the skills and knowledge needed for the day-to-day operation of martech.

Stakeholder buy-in and approval

Stakeholder buy-in and approval was the second biggest barrier cited by our respondents. This may be due to budget constraints, but could also be the lack of a clear business case for martech investment.

By following a detailed process of auditing current tech capabilities, identifying gaps, and making the case for tech, issues with stakeholder buy-in can be overcome. We'll describe the process in this report.

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It's about buy-in for the whole process around martech, not just giving the go ahead for the purchase of new software. An effective martech strategy also requires the investment in people, skills and processes.

What business factors limit your martech effectiveness?
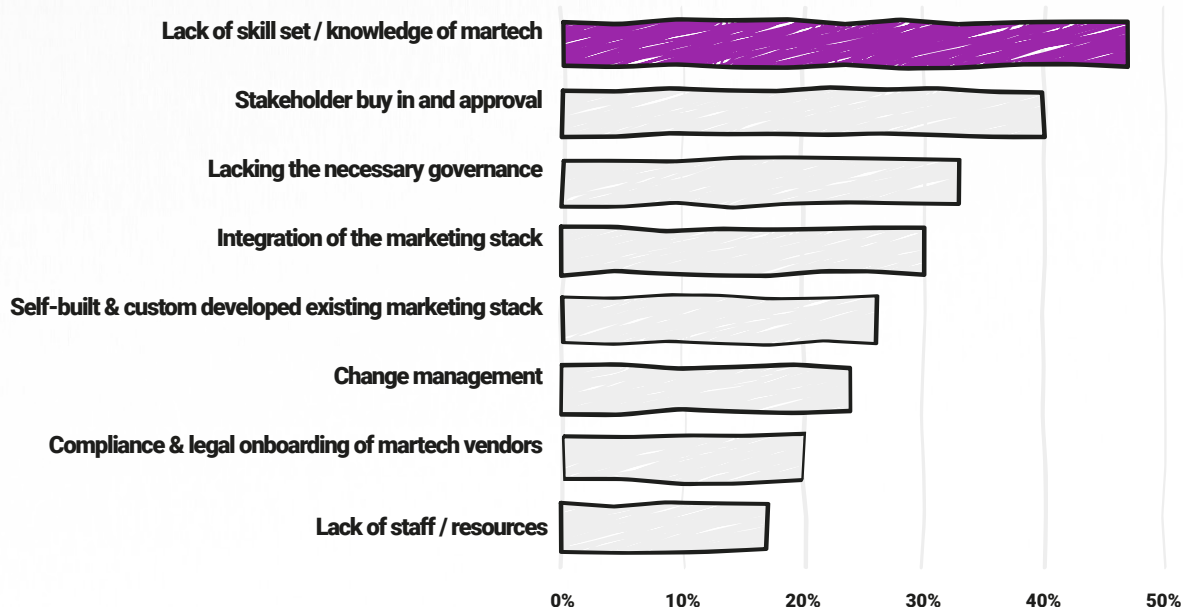
Many of the other barriers cited by our respondents can be overcome by having the team structures in place to manage and oversee martech. The marketing operations function is well placed to ensure the necessary governance, that the stack is well integrated, and to manage compliance and onboarding of new tech.

Shadow IT

The status quo in many organisations is that IT has the major role around technology and the acquisition of new tools and software. This is not necessarily unjustified, as IT teams are also tasked with maintaining security, and therefore have a keen interest in the flow of data throughout the business.

In practice, this can mean that marketing teams are forced to wait for the tech they feel they need to perform more effectively, or for fixes and upgrades to current tech.

The outcome is what is sometimes referred to as 'Shadow IT'. These are the tools and software acquired by marketers directly, avoiding the IT queue - SEO tools, plugins for CMS systems, and so on.

This may help marketers achieve short-term goals, but means that tech is being acquired without a plan, and capabilities can sometimes be duplicated.

Shadow IT isn't all bad, but a better solution would be to speed up the tech implementation process so that it becomes less necessary.

Failing to decommission old technology

Rapid changes in technology means that older software becomes obsolete or stops being used. Companies need plans to decommission old technology at the same time as acquiring new tools.

As Martech Tribe Founder Frans Riemersma told the audience at a recent LXA event:

> *There's a risk that comes with the failure to decommission existing tools, but also costs you can save by decommissioning. Orphaned app subscriptions, those without a billing owner because staff have left or transferred are on the rise.*

The solution is to create a decommissioning plan, which enables organisations to save money, and to ensure that data is not sitting in unused martech tools.

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The risks of acquiring technology without a planned strategy

Technology should be selected and acquired by following a clearly-defined process. This involves careful consideration of the business case for technology, the current tech stack, and all available options.

Of course, this doesn't always happen. There are associated risks, mainly to do with wasted time, resources and budget.

- **Duplicating existing technology**. Martech tools often perform several roles, and marketers can acquire tech which replicates functionality that already exists in the marketing stack.

- **Lack of tech integration**. A tech stack should be integrated and able to share data between platforms. Acquiring tech without considering this risks siloed data with limited uses.

- **Buying the wrong technology.** Yes, you may be buying some very innovative tech, but does it work for your company? Have you bought a Ferrari when a Ford was all you needed?

- **Having the tech, but no-one with the skills to use it**. If you don't have the teams in place with the expertise to operate technology, then your investment will be wasted until you do.

05 Agency Opportunities: New Ways to Support Clients

Rapid technological change has introduced skill shortages. Selecting and managing a tech stack requires technical skills, often missing missing from the marketing teams responsible for the day-to-day operations.

Training is one way for marketers to upskill, while many businesses have called upon agencies to fill gaps in technical knowledge, and to manage martech initiatives.

Agencies have been upgrading their martech capabilities in recent years, acquiring digital marketing agencies and setting up martech centres of excellence to better serve the needs of their clients.

The LXA UK Martech & Salestech Landscape 2022 identifies 1,200 UK-based marketing and sales technology companies. These vendors can be mapped around six capability clusters:

- Advertising and promotion
- Content and experience
- Social and relationships
- Commerce and sales
- Data
- Management

This increased complexity within the marketing technology landscape presents a challenge for brands. But also an opportunity for agencies that can demonstrate knowledge and capability across these six categories. As technology used in marketing and advertising practice becomes even-more sophisticated, agencies will need to understand its potential.

The growing requirements for marketing technology infrastructure has opened up opportunities for those agencies that have expertise in the selection and deployment of martech. Furthermore, LXA's State of Martech Report identified a shortage of marketers with the relevant expertise in martech and marketing operations. This creates opportunities for agencies to fill these gaps.

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To what extent do you agree with this statement: 'When recruiting for talent to work in martech/marketing operations we find it challenging. The market is lacking marketers with the necessary martech, data or marketing operations skills and knowledge'?

Disagree / Strongly disagree
9%

Neutral
23%

68%
Strongly agree / Agree
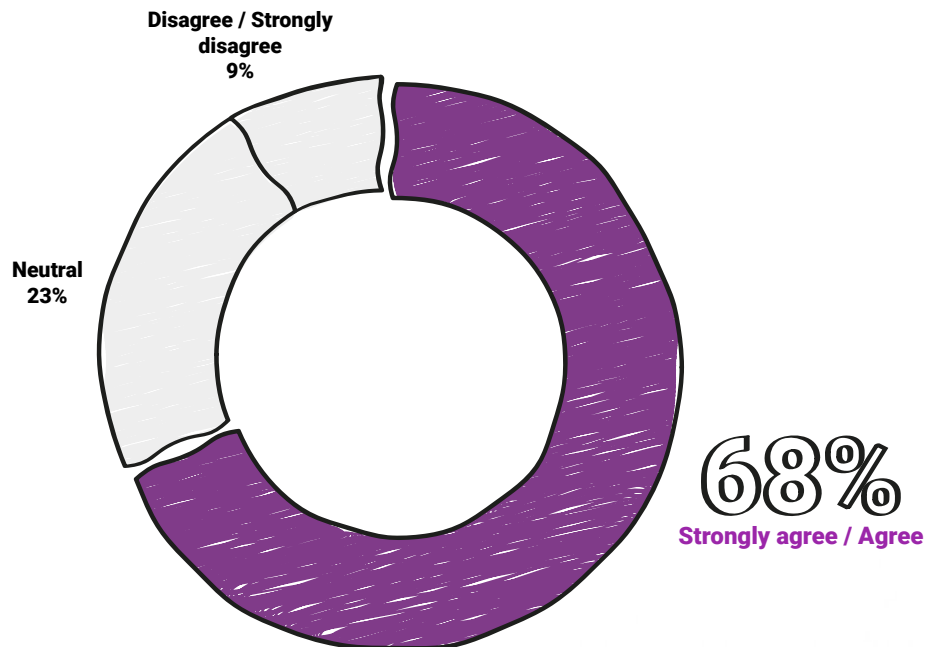
Alert to these trends, many agencies have been building up their martech offerings, with the creation of marketing technology centres of excellence and the acquisition of more specialist agencies.

In recent years we've seen this in action. For example, Ogilvy created a Martech Centre of Excellence made up of more than 900 employees with expertise in many of the major platforms and martech solutions.

Agencies have been moving into this space through acquisitions of martech. Examples of this include Ogilvy's acquisition of Verticurl, Pennywise and Who Digital, and Dentsu's acquisition of digital agency Merkle.

In fact, leading agencies are already supporting clients by:

- Making sense of technologies and helping them understand the opportunities and challenges of adopting certain platforms.
- Operationalising technologies and helping them scale by designing new workflows and frameworks.
- Optimising technology capability: While some clients may be focused on building in-house capability, these technologies will continue to evolve. There will be ongoing value in helping clients to optimise the tools they already have, creating a circle of value that allows agencies to deliver improvement as waves of new technology become available.

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06 Opportunities for Marketers

While marketing technology is essential in today's landscape, and can be viewed as necessary to operate on any level, it's important to think about the opportunities it presents for marketers.

Greater Efficiency

Technology should make the marker's life easier, freeing them from repetitive tasks so they can concentrate on the more creative aspects of marketing.

For example, marketing automation allows marketers to react to customer behaviour as it happens, allowing them to automate email flows at scales that would otherwise be impossible to implement.

Greater Marketing ROI

The ability to collect and analyse data, and act upon customer behaviour provided by martech, allows marketers to send relevant personalised messaging to customers at the right time.

It allows them to analyse and improve the customer journey, improving the customer experience, and ultimately driving greater return on investment from marketing activities.

Optimising First Party Data

The decline of third party data means that marketers need to collect and use first party data as effectively as possible.

Technology such as Customer Data Platforms (CDPs) allows brands to collect and unify first party data from disparate sources so it can be used throughout the customer journey.

Customer data can be collected and analysed to optimise current marketing, to create personalised communication, and to understand trends in customer behaviour.

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07 How to Audit Martech Maturity and Manage Tools

LXA's 5Ps of Marketing Technology provides a framework for companies selecting and using martech.

Rather than simply choosing the technology you think you need, or your competitors are using, it's important that you have a plan in place which takes into account your company's needs, current tech capabilities, the people and skills in your organisation, and the processes in place to run, manage and measure martech initiatives.

The 5Ps of Martech and Marketing Operations

LXA's 5 Pillars of Martech cover the whole process of martech strategy, from auditing maturity to initial planning, the processes needed to manage martech, and the skills required within the business.

- Planning & Strategy
- People & Teams
- Platforms, Apps & Ecosystems
- Process & Marketing Operations
- Pioneer & Pilot

By following these 5Ps, marketers can ensure that the tech is selected and used according to predefined goals, and with the teams and resources in place to use technology to its full potential.

08 Planning & Strategy

This is a cornerstone of your marketing strategy. This is about making sure that your marketing technology is brought in as part of a clear plan which enables you to achieve your business goals.

Investing in martech is a strategic decision. In practice this means being very clear about business goals before analysing and evaluating martech solutions. When identifying your own business goals, marketers will likely find that they fit in to one of four broader categories:

1. Growing the customer base
2. Driving growth from the existing customer base
3. Reducing churn and retaining the customer base
4. Reducing costs.

When marketers have identified their business goals, then they can start to align martech initiatives and target maturity scores.

So, improving efficiency maps to business goals of reducing costs, and for this you might consider acquiring workflow management tools to improve processes and reduce inefficiencies.

If martech initiatives are planned with business goals in mind, this makes tech acquisition easier, as you'll know what you need to achieve, and will be more likely to acquire the right technology.

The table below shows some examples of business goals, and the martech initiatives that can help to deliver them.

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Business goal	Martech initiative
Customer Experience Optimisation	• Integrating data sets & marketing channel activities through the introduction of a Customer Data Platform (CDP). • Architect rich personalised & automated journey flow across your marketing cloud.
Marketing Efficiency (driving return on time and reducing wastage)	• Empowering marketers to move with speed & impact by providing accessible tech. • Adopting agile marketing working e.g introducing workflow management tools to centralise and co-ordinate ways of working. • Defining data and marketing governance processes. • Running team capability assessments and defining a training academy to fill skill gaps.
Marketing ROI (Maximising ROI, reducing wastage and risk of poor marketing investments)	• Optimising channel performance using programmatic media management tools. • Boosting search visibility from better improved search health using SEO tools. • Better understand customer journeys and customer behaviour using aspecialist tool. (Journey orchestration analytics platform). • Adding an attribution platform to enable real time measurability. • Marketing analytics and BI tools to improve audience analytics & intelligence insights.
Brand Salience & Reach	• Integrating a digital asset management platform, DAM, into our marketing stack to improve the consistency and accuracy of brand communications.
Risk Exposure (reducing our risk compliance, cybersecurity)	• Introducing a consent and privacy management platform into our stack to improve governance and compliance.

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Once business goals and martech goals are defined, marketers will need to create a scorecard to measure success. There are many metrics for measurement. Most metrics will fall within the areas of:

- Increase website traffic
- Increase lead generation
- Drive lead conversion rates
- Reduce our cost per lead (CPL) and customer acquisition cost (CAC)
- Improve customer satisfaction net promoter score (NPS)

Once scored against each initiative, then it becomes important to forecast what level of investment is required. Marketers need to remember to account for direct costs, like platform licence fees, but also indirect costs, such as training, implementation, and support.

CX Mapping

The first stage we need to look at before deciding on martech related goals and investments is auditing. You need to know the current state of your marketing tech activities - the tech your teams are using, who uses it and how they are currently using it.

A good place to start is the Martech Landscape, but without the logos. By viewing the landscape like this, we can see the 49 categories and subcategories. We can then split them into six broad sectors and apply them to a customer journey.
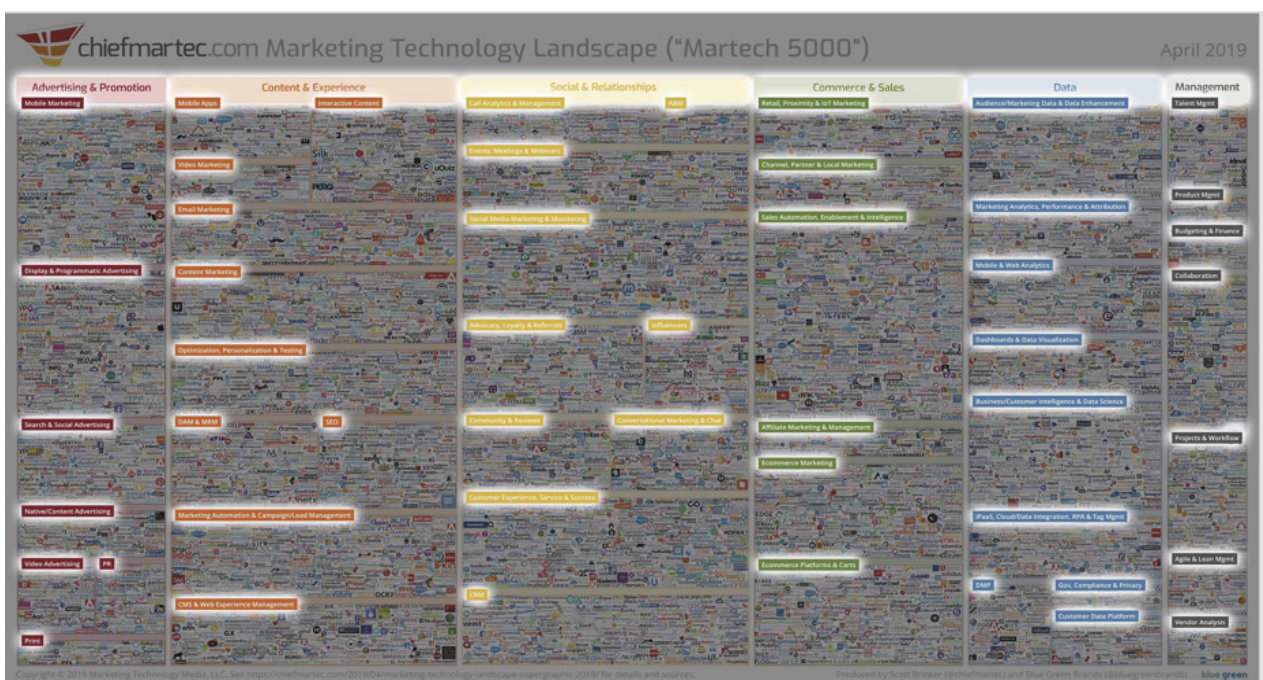
Here's how the main tech categories fit into the traditional marketing funnel. Data and management sit at the side as they span the whole customer journey. Some may be specific to one stage on the journey, while others play a role throughout the funnel.

CUSTOMER JOURNEY + MARTECH LANDSCAPE CATEGORIES

Stage	Categories		
AWARENESS	Advertising & Promotion Social & Relationships	**Data**	**Management**
INTEREST & ENGAGEMENT	Social & Relationships Content & Experience		
NURTURE & QUALIFY	Social & Relationships Content & Experience		
CONVERSION & ADVOCACY	Social & Relationships Commerce & Sales		
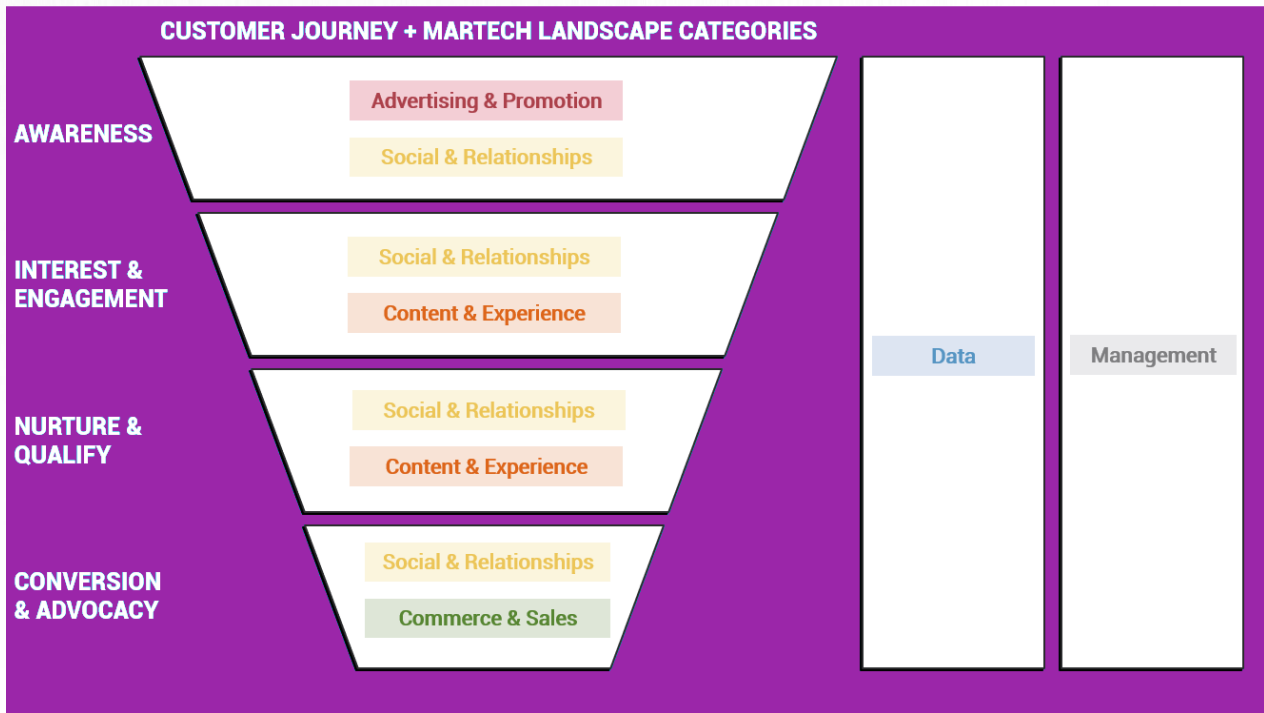
For the next step, we can apply the 49 subcategories of tech to the funnel so we can see which tech is used at each stage. Not every customer journey will need all of these types of tech, but this model helps you to check the tech you have against the tech you may need to add.

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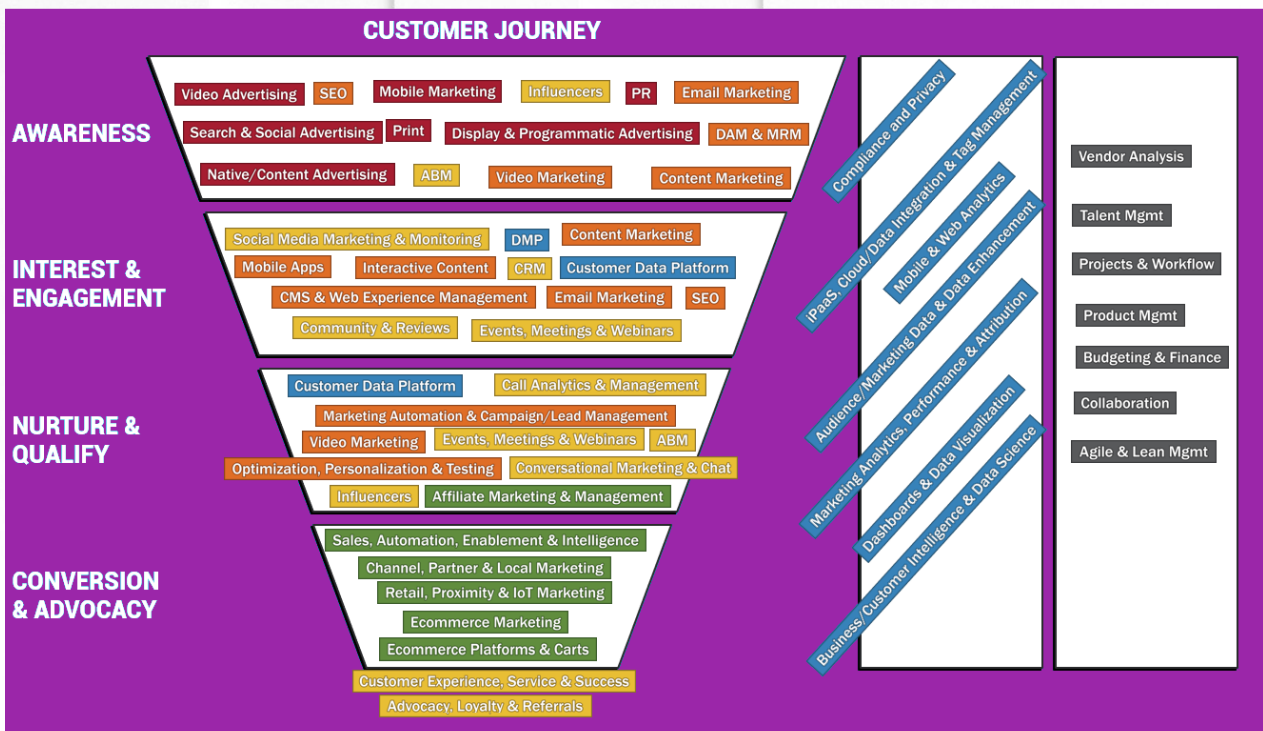
CUSTOMER JOURNEY

Following this funnel model, you can map your own customer journey, adding the martech tools you currently use. Look at the customer touchpoints and the tech you have in place and assess whether this tech is helping you to deliver a good or bad customer experience.

CX mapping helps to ensure that the customer experience is as good as it can be. This is because great CX means better customer growth and retention.

Mapping also helps to focus on the tech already in place, to decide whether it is being used to its fullest potential, or if it isn't fit for the task.

This process informs auditing, and later will help to identify the types of technology that we may want to invest in more heavily, and the processes to make this happen.

Gap Analysis

Using the funnel model and mapping existing tech against the customer journey, we can carry out a gap analysis, cross-checking it against the martech landscape categories.

In this way we can identify gaps in our tech stack, finding areas where tech may be added which may improve the customer experience.

A more in-depth audit for your organisation should include internal interviews and a workshop with key departments involved in different areas of the customer journey.

This is a great way to engage different departments across the whole organisation that can provide valuable insight on what the customer journey looks like, but also the technology that's being used, and the customers' experience with the tech.

By doing this, you can gain a complete picture of the tech used; find tech that can be used more effectively; and identify tech that may need to be replaced..

It should also be remembered that the budget for tool integration is critical and should be considered as important as the cost of the tool itself.

Martech Maturity

From running the CX mapping and gap analysis, the business can start to form a good understanding of the current capabilities. But to better quantity this, they need to run a full martech maturity assessment. The LXA martech framework for this is based on the 5Ps broken down into 20 components (sub categories of each P). Against each a company can score their grade. This allows the business to drill into a specific area of focus e.g. within process and operations, martech governance might be an area that needs attention. It also provides an overall score for each dimension e.g. an overall martech maturity score for people and teams. This process should be run for both the current state of maturity, as well as the future targets.

This activity enables the business to connect, align and measure the martech effectiveness with the business goals with a clear baseline in place. Detailed below is an example.

Martech Maturity Component	Current maturity score	Target maturity score
Planning & Strategy	2.1	4.1
People & Teams	2.9	3.9
Platforms, Apps & Ecosystems	3.2	3.9
Process & Marketing Ops	2.8	4.2
Pioneer & Pilot	2.2	3.5

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09 People & Teams

The roles and functions needed to drive martech initiatives

Martech success isn't simply about acquiring the right technology. It relies on having the right people in the right roles for the day-to-day management of tech, and the planning of martech initiatives.

Successfully integrating martech requires cooperation and collaboration across departments, providers and vendors. To really do this effectively there needs to be someone who owns marketing technology.

This is the role of the marketing technologist or marketing ops professional. They identify the tech and projects needed, and provide the training and support to ensure that the complete marketing stack is integrated.

The job titles may differ across companies, but the tasks and responsibilities of marketing technologists should be common to successful marketing teams.

In many organisations, these tasks are managed by the marketing operations team.

Marketing operations is the management of marketing, technology and data as an integrated process. It's a role that ideally combines some of the creativity of marketing with the technical and analytical knowledge required to assist in the procurement and day-to-day management of marketing technology.

It's a strategic function that is designed to lead marketing technology management within a business. The MOPs function designs, optimises and governs operational marketing processes to improve performance and reduce waste. To deliver the marketing strategy.

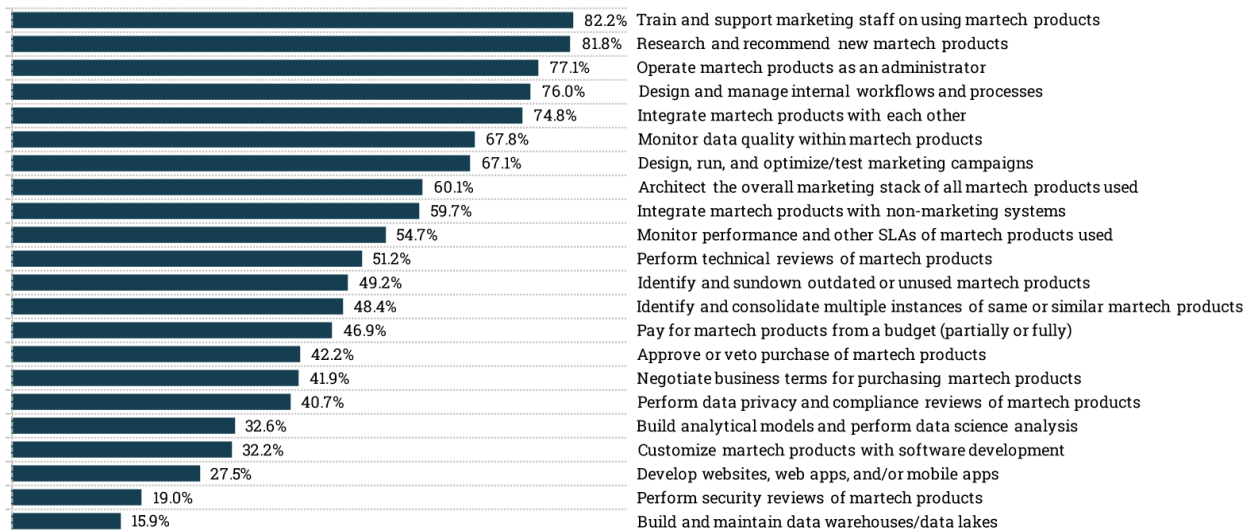> *The way I like to define marketing operations is 'the art and science of executing great marketing.'*
>
> Darrell Alfonso, Marketing Ops Leader at Amazon and LXA Course Instructor

This is a great definition which underlines the intersection of creativity and technical knowledge which makes a great marketing ops professional.

The chart below shows some of the roles and responsibilities covered by marketing operations teams.

Teams will vary in size between organisations, and will be made up of different skills and specialisms.

Marketing Technologists' Job Roles

marketing charts

%	Job Role
82.2%	Train and support marketing staff on using martech products
81.8%	Research and recommend new martech products
77.1%	Operate martech products as an administrator
76.0%	Design and manage internal workflows and processes
74.8%	Integrate martech products with each other
67.8%	Monitor data quality within martech products
67.1%	Design, run, and optimize/test marketing campaigns
60.1%	Architect the overall marketing stack of all martech products used
59.7%	Integrate martech products with non-marketing systems
54.7%	Monitor performance and other SLAs of martech products used
51.2%	Perform technical reviews of martech products
49.2%	Identify and sundown outdated or unused martech products
48.4%	Identify and consolidate multiple instances of same or similar martech products
46.9%	Pay for martech products from a budget (partially or fully)
42.2%	Approve or veto purchase of martech products
41.9%	Negotiate business terms for purchasing martech products
40.7%	Perform data privacy and compliance reviews of martech products
32.6%	Build analytical models and perform data science analysis
32.2%	Customize martech products with software development
27.5%	Develop websites, web apps, and/or mobile apps
19.0%	Perform security reviews of martech products
15.9%	Build and maintain data warehouses/data lakes

Published on MarketingCharts.com in April 2020 | Data Source: chiefmartec.com / MarTech Today

Based on a survey of more than 250 marketing technologists | martech = marketing technology

The day-to-day operation of martech will very likely be the role of the marketer, or fall within their department. Creating email campaigns, using data analysis to find improvement to the customer experience, managing leads through CRM platforms, and so on.

Marketers need the skills to be able to use the technology they have to its full potential, or at least to make effective use of it, so they will require the training and support that enables them to do this.

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10 Platforms, Apps & Ecosystems

Tech selection

The selection of technology should be process-driven. The actual selection of technology should be one of the final steps of the process, which first takes in the current state of the martech stack, the customer experience, key stakeholder opinions, budgets and more.

Before you arrive at tech selection, you will have considered the first P, Planning & Strategy, and the second, People & Teams.

You have looked at the customer journey, identified areas where new tech may be needed, or where older tech can be improved. In addition, you have considered the people you will need to manage martech initiatives, the training that may be needed to ensure the correct skills are in place.

The third P - Platforms, Apps & Ecosystems - covers the process of tech selection. During the process of auditing the customer journey, reviewing business objectives and carrying out a gap analysis, you will have identified areas where you need new technology and have the business case for investment.

It's important to ensure you adopt a methodical approach to any Martech tech selection and implementation.

We recommend the following sequence of events when looking to select a new tech solution:

1. **Internal requirement gathering & RFI**. What do we need from the tech?
2. **Establish a project steering committee**. Martech initiatives require the backing of key stakeholders.
3. **Business use cases**. How will tech be used? What will it help us to achieve?
4. **Platform use cases**. What features do you need from tech solutions?
5. **Create a vendor scorecard**. Creating a scorecard helps to clarify use cases so that you can evaluate the fit between your requirements and the vendor product.

VENDOR SCORECARD		Vendor A	Vendor B	Vendor B
		1.50	2.00	3.25
	Weightage			
Use Case Fit	25%	2.00	3.00	5.00
Functional Fit	25%	1.00	3.00	4.00
Architectural Fit	25%	3.00	3.00	4.00
Vendor Strategic Fit	25%	2.00	2.00	5.00

6. **Create an RFP.** This is to provide our vendors with specific details of how their solution will be used, and will ensure that demos are focused on specific needs.
7. **Vendor selection.** This will cover budget considerations, considering peer recommendations, reading buyers guides and reviews, and using vendor scorecards.
8. **Proof of concept.** Test tech using a small team or part of the business. This helps you to identify bugs and areas of improvement before rolling out across the business.
9. **Implementation & configuration.** This is where your implementation partner (the vendor) and/or your architect will help you to integrate tech solutions into your stack.
10. **Stack integration**. Again, your implementation partner and or architect will take the wheel here. Think about how tech integrates into the stack - does data flow easily from and to new tech? Does it impact existing tech?
11. **Training & onboarding.** Make sure day-to-day users of tech have the support they need. Lean into your agencies and vendors for this too.

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12. **Support & upgrade.** Especially for major tech investments, you'll require continuing vendor support which can include regular upgrades.
13. **Audit & review.** Run quarterly audits and reviews. Assess usage, explore what features and functionality are actually being used, interview and survey users. Dig deep on where things could be improved.

This is the ongoing process of ensuring that your tech stack contains the capabilities you need, and that each platform works effectively within the overall stack.

Does the tech stack map to the customer journey? Are you able to deliver an excellent customer experience at all stages of the marketing funnel? Are you making effective use of the tech you have in place?

"

Budgets should be invested in making the most of existing tech assets, not in bringing another piece of tech to plug the gaps. For me, the integration budget should be higher than the tech budget. When you bring in new tech you should ask whether your team has the right training, does it integrate into your ecosystem, and whether it will help you to grow.

Kerry Dawes, Technical Director, Digitas UK
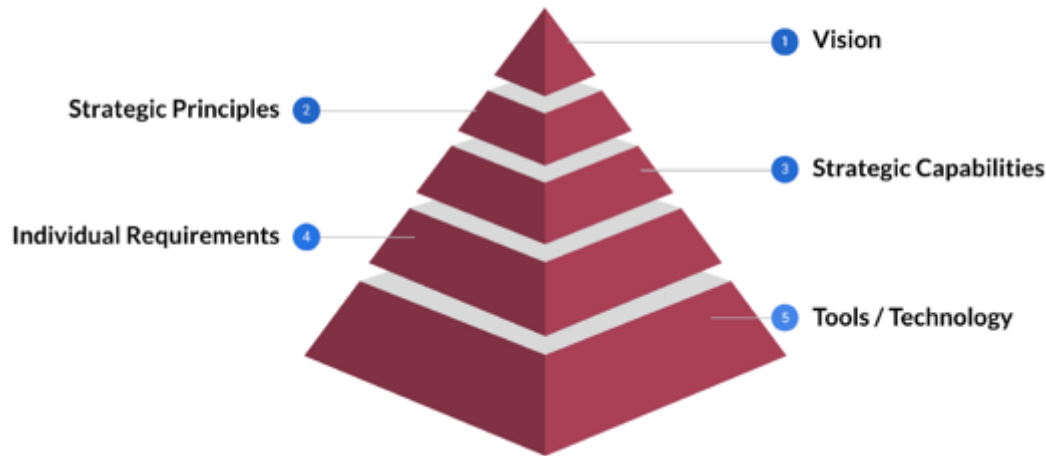
The FT: A Case Study in Martech Selection

Gregor Young, Marketing Performance & Technology Director at the Financial Times, explained the planning and processes behind the FT's recent martech strategy at a recent LXA event.

Having arrived at the FT, the task of establishing a vision for how the company could use martech, and navigate the challenges the company faced.

There was a product and technology culture already in place at the FT, and just as importantly, the company had already gone through a digital transformation.

The diagram below sets out the process followed by the FT, and the steps required before tech selection (step five). These are similar to the first three of LXA's 5Ps.

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Building a martech strategy

Strategic Principles ②   ① Vision

③ Strategic Capabilities

Individual Requirements ④

⑤ Tools / Technology

Instead of heading straight into step five and choosing technology (which does happen), there are four other steps to go through. Some of these steps will take time, but they help to ensure that the needs of different teams are considered, and increase the chance that technology will be chosen that matches the company's needs.

The steps involved lots of meetings with stakeholders, workshops, discussions with vendors, gathering of requirements, and lots of listening. This process meant that individual requirements were gathered from different teams.

Overriding this process was the need to define a vision, which would unify stakeholders, and help them to understand the complexity of the process. The vision arrived at as a result of this process was: 'we want to deliver the right message to the right individual using the right channel at the right time'.

Vision statement

We want to deliver the right message to the right individual using the right channel at the right time.

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The vision is simple, but a lot of detail was required to get there. A 38 page document set out the strategy in detail, helped to ensure agreement, and defined some of the strategic capabilities. This was a clear thread from the meetings and conversations that took place, to exactly why a tool or technology is needed.

Another important factor is the need for someone to carry out these meetings, articulate the vision, and ensure everyone is on board with martech goals. These may be the marketing operations team for example.

At this point, the FT team could go shopping for tech solutions with confidence. As Gregor Young explains:

> *We knew from our capabilities what we were targeting, and so we were able to easily and confidently go out into the market and find the right products. It just made it so much easier. This marketplace is hugely advanced, but that also means it's really complicated.*
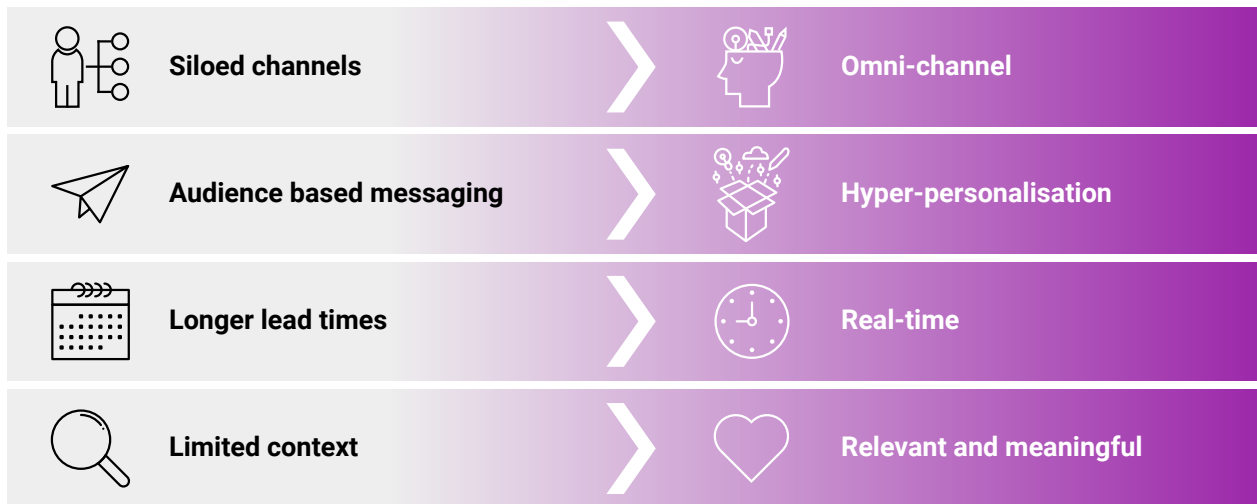>
> *It's really hard to navigate, to actually know who to talk to, what kind of tools are needed, and what kind of vendor. But because we've gone through this process, we had a lot of confidence.*

So, the FT arrived at the right place, thanks to this process. The team was able to make decisions with confidence , knowing the vision and principles behind its marketing strategy, its requirements and its current tech capabilities.

How Technology Underpins Vodafone's 'Always-on' Marketing

Vodafone Group Martech Lead Jobin Joy presented at a recent LXA event about the company's marketing strategy, and the martech strategy which underpins it.

Vodafone has moved towards a marketing model it calls 'always-on marketing'. This means messaging has to be consistent across channels, personalised, adapted in real-time, and relevant to the customer interaction.
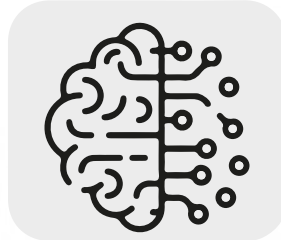
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Siloed channels	>	Omni-channel
Audience based messaging	>	Hyper-personalisation
Longer lead times	>	Real-time
Limited context	>	Relevant and meaningful

This always-on principle is built upon three blocks of martech:

- Data and insights
- Decisioning and orchestration
- Creative and activation

Data and Insights   **Decisioning and Orchestration**   **Creative and Activation**

Building blocks of Martech

The Vodafone process is to pick and choose the right technology for each block.

> *Picking the right tool doesn't necessarily mean every organisation goes to the same vendor for that tool. It's what's right for you as a business.*

Jobin Joy, Group Martech Lead, Vodafone.

For example, Vodafone has centralised data processing, identity creation, advanced Machine Learning (ML) and Artificial Intelligence (AI), all in one place: the data lake.

Vodafone's marketing team can access this data lake through SaaS-based platforms such as CDPs and web analytics tools. A marketer or analyst can look at the insights coming from the data lake or customer touchpoints, and the CDP can take the role of merging the offline and online profile to create a single marketing profile. All in real time.

The CDP allows you to push all of this data to any platform of your choice to make a decision or activate the audience, by sending messaging related to customer actions for example.

From this point, using data generated through user transactions, intent, and web visits the right decisions are made for the consumer. It's about deciding the actions, messaging and content that is relevant for the customer.

Vodafone uses a single brain across their markets to use this data. This is a single decisioning engine enabling 1-2-1 communication, so that the consumer will receive a consistent, harmonious experience whatever channel they use.

Content is stored centrally through an asset management platform so Vodafone can choose the content to show to customers based on context, such as the type of phone they have viewed on the site.

How do you build a team that has the right skillset?

One solution to the skills issue is consolidation and standardisation throughout the company. This means Vodafone's marketing teams are using the same marketing technology wherever they are in the world.

This means that staff trained on a particular platform can train other team members, including those in alternative markets. This standardisation avoids issues around multiple, or even conflicting, technology. People are fully trained and efficient, supporting the delivery of the overall strategy.

Ways of working with martech

Vodafone also removed traditional ways of working, and moved towards a more agile structure. A centralised team (Martech Chapter) was created which supports multiple squads (teams) across the company.

This team provides the skills and resources needed to deliver marketing initiatives. Rather than focusing on the product or segment, the team has a single view and aim.

Vodafone also has an eye on the future. A Martech Lab was created to keep pace with the rapidly-evolving marketing technology landscape. Within this lab, new approaches, customer journeys, and new technology is tested for possible future use.

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11 Process & Marketing Operations

The fourth P, Process & Marketing Operations, covers the processes needed to manage martech. This includes the day-to-day running of technology, the maintenance of the martech stack, onboarding new technology, analysis and reporting.

Ideally, this function would be carried out by a marketing operations team or equivalent roles.

The role of Marketing Operations in maximising martech ROI

One of the key areas of the Marketing Operations function is ensuring maximum possible ROI from marketing technology investments.

Marketing operations teams achieve this in a number of ways:

- **Effective stack management.** The marketing stack is the combination of tech tools that power marketing. The job of marketing operations is to ensure that the stack has the required capabilities to create the customer experience that drives business results. Stack management is also about reducing inefficiencies, removing unnecessary tools, and implementing tool upgrades.
- **Training and support.** Supporting marketing teams in their day-to-day usage of tech to ensure effective operation.
- **Data analysis.** Ensuing that data is collected and used effectively to maximise ROI from tech.

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12 Measurement of martech

Martech investments need to be justified, and teams need to build the business case for spending on new tools, as well as the staff and training needed to manage and operate martech day to day.

In this section, we look at various ways to measure the effectiveness of martech, and look at how agencies and clients measure their return of investment in tech.

Marketing operations performance dashboards

The effective measurement of martech effectiveness is a key role of the marketing operations team. This performance and measurement role provides the oversight which can monitor and improve performance of martech initiatives. It also helps to justify continuing investment in technology and the staff and resources needed to operate it.

The marketing ops team needs to be able to measure performance, forecast, model and budget effectively. It's important to measure what really matters, and be able to explore data for insights, uncover patterns and trends which support or challenge business thinking.

Marketing operations teams are responsible for the performance of martech, the reporting, and the insights uncovered.

One method to achieve this is creating a performance dashboard so that key metrics are being reported, and that they are distributed to key stakeholders. The work to create this dashboard begins with an audit of the data analytics sources, and cleansing and aggregating data from different sources.

Marketing operations may also create different dashboards for different users. Marketing and marketing operations teams are likely to need more detailed data so they can analyse performance in detail, and gather key insights.

Quantifying the direct impact of martech tools

Measurement of martech can be carried out in a number of ways, and there isn't necessarily any standardised method of measuring its impact.

> *There is no specific and accurate measure of martech effectiveness outside of whether that platform is enabling a solution or capability for many of our clients.*
>
> Henk-jan ter Brugge, Global Marketing & E-Commerce and Business Partner Growth Digital Platforms, Philips.

We surveyed more than 200 agency and brand respondents on their approach to martech measurement, and found a variety of responses. Our survey of brand and agency CMOs identified a number of was in which their organisations measure Martech effectiveness.

How does your organisation / your typical client measure martech effectiveness?
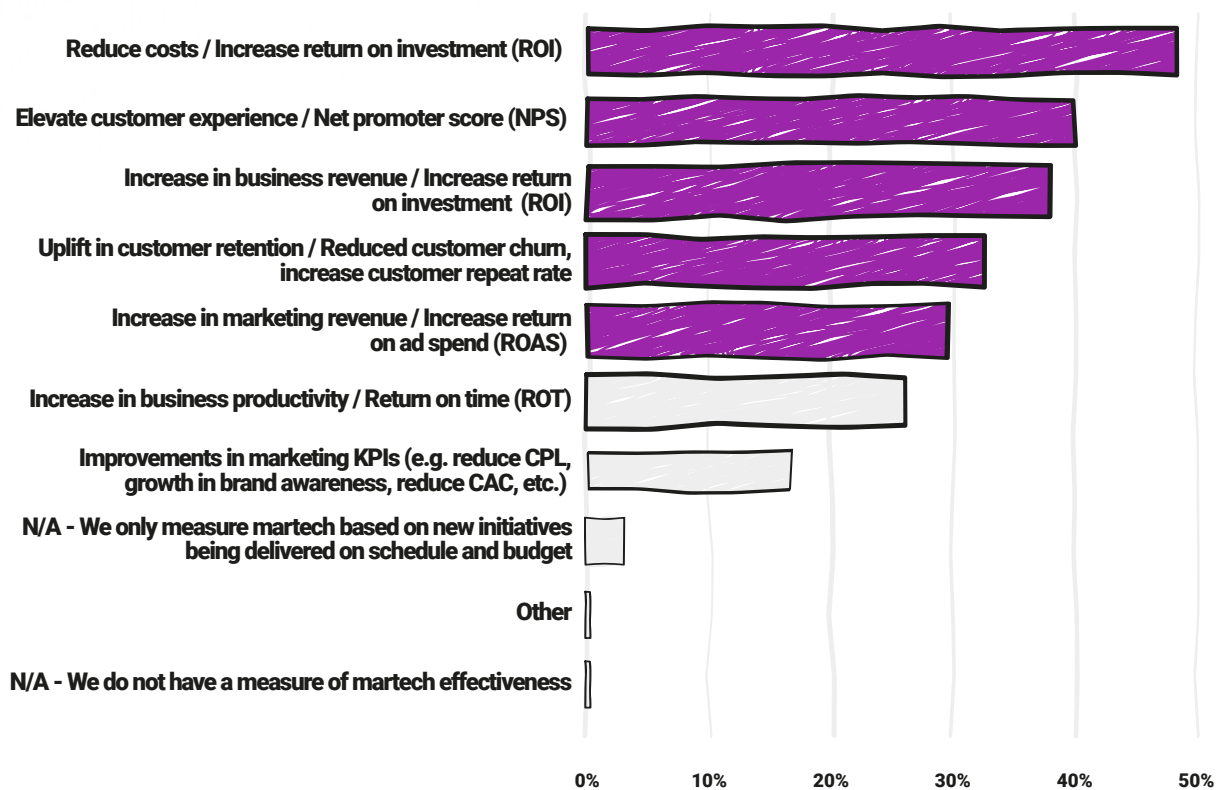
Many marketers see martech as a tool to make marketing more efficient and effective, so it's no surprise to see that people rate reducing costs and increasing ROI as the most common measure of effectiveness, cited by 48% of respondents.

Next was Improvement of customer experience and impact on NPS score (41%), and increase in business revenue (38%).

There are challenges in measuring the effectiveness of specific martech tools, as they are often used in conjunction on specific campaigns.

It's not easy to tie the final advertising metrics back to the impact that a piece of technology has on the same campaign. The simplest form of measurement comes in cost, where our client's take a view of the overall costs saved using martech, and the increased accuracy this has on campaigns. In other words, providing the advertising ROAS increases and the cost per acquisition of a consumer or piece of data reduces by a set amount, the martech platform used to achieve this is deemed to be a success. This is a rudimentary way of gauging success, or effectiveness, but cost vs return remains one of the simplest forms of measurement at present.

Chris Packman, Head of Audience Strategy, APAC, GroupM

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To what extent do you agree with the statement: 'We have a clear and accurate measure of martech effectiveness on our business.'

Disagree / Strongly disagree
20%

Neutral
17%

62%
Agree/Strongly Agree
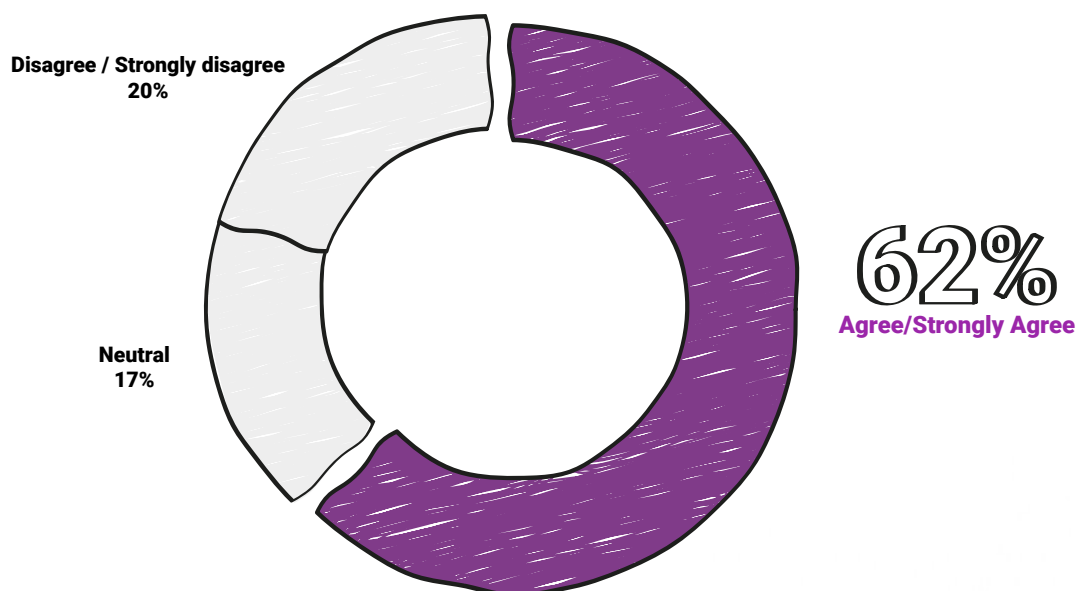
The confidence of the majority may be a result of the general levels of martech maturity amongst our respondents - a majority of respondents rated their martech maturity as standard or higher.

> *Companies often have very category specific measurement of martech - measurement for email or direct marketing campaigns. Marketers will show results based on the specific use cases for each tool, number of conversions/leads, rather than having one overarching approach to measuring ROI.*

Michael Klazema, Chief Marketing Technologist / Director at EY Consulting.

13 Pioneer & Pilot

Our final P, Pioneer & Pilot, is building an understanding of key emerging technologies; changes in buyer behaviour and customer trends; the ability to be able to assess and experiment with new technologie; and the agility to adapt rapidly to new patterns.

To both transform to a modern marketing function and gain a competitive advantage on what new technologies exist, your organisation needs to pioneer and pilot new marketing techniques and tools.

Nothing stands still in the martech and marketing operations world. We've witnessed rapid technological change over the past few decades, and there's much more to come. The latest examples in this space include marketing in the metaverse and web3. While still in their infancy, it's fair to say they may become focal points in the next 2-5 years.

Martech leaders need to be pioneering; looking out for new technology and ways of working; being the first to experiment with it; and seeing change as an opportunity.

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14 Continuous martech maturity advancement

The effectiveness of martech initiatives depends to a large extent on the process that led to tech selection, and that which followed. Martech maturity is a measure of how well a company follows this process, and has the skills in place.

Organisations with a mature function who have aligned their martech strategy to the customer journey, and to their overall business goals, are more likely to see a greater return on their investments in technology. This is the 5Ps of Martech and Marketing Operations.

> *Many companies have no real idea of their Martech maturity. and many tend to overestimate their Martech maturity. They focus on technology maturity but forget that Martech knowledge and experience is more important. Many instinctively go for custom build or the best solution in the market (the famous Ferrari while they needed a Volkswagen). Many simply lack the scars and bruises of failed attempts.*
>
> *Without those nose bleeds, they will not realise Martech is never done. When they start to realise that, they'll understand they need a MarketingOps role, tech-savvy marketers who build a solid marketing infrastructure while flying the plane.*
>
> Frans Riemersma, Founder & Marketing Technologist, Martech Tribe

Martech maturity can be measured in terms of the technology you have in place, and the capabilities to ensure its effective use.

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It's a useful exercise to assess your martech maturity before and after new tech investments to see how your maturity is improving. This assessment helps to ensure that you have the planning and processes in place, in addition to the talent and training needed to manage martech.

Monitoring your organisation's martech maturity, and ensuring that you are improving according to the 5Ps of Martech, is a continuous programme. The cycle is perpetual from one P to another and key to establishing and maintaining an effective martech strategy.

Martech doesn't stand still, so the challenge around martech maturity is to keep upgrading, in terms of skills, technology and knowledge.

15 About IPA

The institute of Practitioners in Advertising (IPA), incorporated by Royal Charter, is the trade body and professional institute for agencies and individuals working in the UK's advertising, media and marketing communications industry.

We support and empower our members in every way we can. On an Industry, Agency and Personal level.

Every year we help more than 4,000 practitioners future-proof their careers through our Continuous Professional Development Programme. And through EffWorks we aim to provide the advertising and marketing industry with resources and tools to realise the potential of truly accountable and effective marketing.

We use our knowledge of the industry to publish groundbreaking thought leadership, best practice guidelines and surveys, including the quarterly IPA Bellwether Report and annual IPA Agency Census. IPA member agencies have access to an array of services and benefits to help them do business better, create and deliver more value and recruit and retain talent.

We are the Power behind the practitioners.

16 About LXA

LXA is an education business focused on the MarTech, SalesTech & NextTech space. The LXA delivers modern learning experiences through the LXA MBA Series Membership: events, courses and resources.

You and your team can customise your journey with a blend of digital, formal and informal, self-led, instructor-led & community-based learning.

LXA MBA courses are mini-MBA 6-week programmes designed for ambitious busy marketing, sales and tech professionals like you. The LXA MBA series membership provides the essential learning to build your skills, knowledge and network in rapid time at an affordable price.

Through our courses, a wide range of best practice reports and buyers' guides, and the most unique and valuable events in the industry, you can build the skills you need to stand out, to advance your career, and make a difference to business performance.

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17 More from LXA

Martech & Marketing Operations Periodic Table

To unpack martech and marketing operations effectiveness in richer detail download our periodic table of the elements that underpin the formulae for success.

LXA MBA Series Membership - Martech, Marketing Ops, and More

Explore the LXA MBA Series Membership which offers a deeper practical dive on this. It combines a series of Mini MBAs for martech, marketing operations, growth marketing - packaged with frameworks and calculators.

Members also gain access to 40+ research reports and guides, plus a series of in-person and online martech events. See lxahub.com/membership for details.
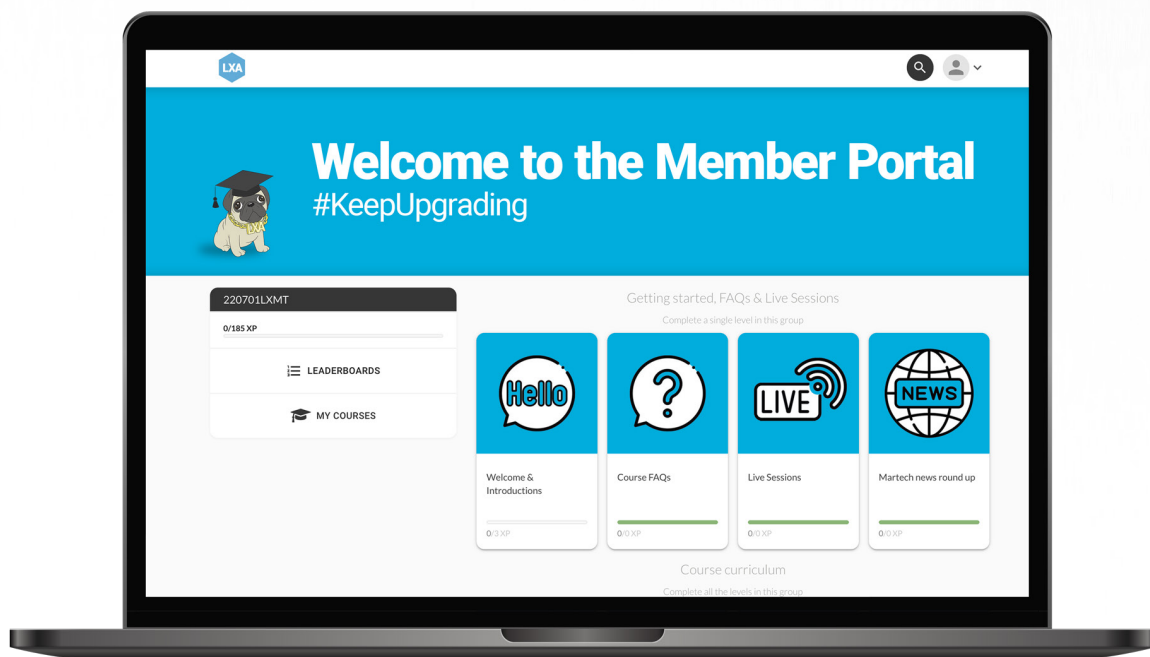
18 LXA Team

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